# **Introduced by Senator Pavley**

February 23, 2009

An act to add Division 28 (commencing with Section 80500) to, and to repeal and add Article 2 (commencing with Section 150) of Chapter 2 of Division 1 of, the Water Code, relating to the Sacramento-San Joaquin Delta.

#### LEGISLATIVE COUNSEL'S DIGEST

- SB 229, as amended, Pavley. California Water Commission: Bay-Delta.
- (1) Existing law establishes the 9-member California Water Commission in the Department of Water Resources and requires the commission to conduct an annual review of the progress and operation of the State Water Project and to carry out various other related functions.

This bill would-substantially revise the membership and functions of the commission. The bill would establish the commission in the Natural Resources Agency-and require that it be considered as an independent commission. The commission would consist of 5 members appointed by the Governor and subject to the confirmation of the Senate. The commission would have primary authority to implement and approve and oversee the implementation of the Bay-Delta Interim Governance Act of 2009, as described in (2). The bill would-authorize require the commission to serve as lead agency to implement-specified projects recommended by the final environmental impact report of the Bay-Delta Conservation Plan, or delegate these responsibilities to other appropriate state or local entities.

SB 229 — 2—

(2) Existing law requires various state agencies to carry out programs, projects, and activities on behalf of the Sacramento-San Joaquin Delta.

The California Bay-Delta Authority Act establishes in the Natural Resources Agency the California Bay-Delta Authority. The act requires the authority and the implementing agencies to carry out programs, projects, and activities necessary to implement the Bay-Delta Program, defined to mean those projects, programs, commitments, and other actions that address the goals and objectives of the CALFED Bay-Delta Programmatic Record of Decision, dated August 28, 2000, or as it may be amended.

This bill would enact the Bay-Delta Interim Governance Act of 2009 to provide for interim management and governance measures for the Bay-Delta, as defined, and to enhance the reliability of water supplies that originate in the Bay-Delta. The act would require the agency to adopt a Bay-Delta Conservation Plan for the Bay-Delta. The development and implementation of the plan would be funded through a fee established by the commission and paid by all entities that are beneficiaries, as defined, of the plan and those entities that divert water from a-Delta Bay-Delta water body. The act would require the State Board of Equalization to collect the fee and deposit the moneys collected in the Delta Governance Account, which the bill would establish. Moneys in the account would be available, upon appropriation by the Legislature, only for expenditure on projects or programs contained in the plan.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

```
SECTION 1. Article 2 (commencing with Section 150) of Chapter 2 of Division 1 of the Water Code is repealed.

SEC. 2. Article 2 (commencing with Section 150) is added to Chapter 2 of Division 1 of the Water Code, to read:

Article 2. California Water Commission

There is in the Natural Resources Agency the California Water Commission, is an independent commission. In addition to
```

its duties and responsibilities contained herein the commission

\_3\_ SB 229

shall focus on interim measures in the Bay-Delta as described in this article.

- 151. The California Water Commission commission consists of five members appointed by the Governor and subject to the confirmation of the Senate, as provided in this article.
- 152. The Governor shall select and approve members for appointment on the basis of their general educational and business qualifications, and their knowledge of, interest in, and experience with problems relating to the control, storage, and beneficial use of water. The membership shall represent be appointed from all parts of the state so far as it is practicable. Members shall represent the public interest.
- 153. The Governor shall appoint the initial five members of the California Water Commission commission before January 15, 2010. The members shall serve staggered terms. The terms of the members of the California Water Commission commission shall expire as follows: one member on January 15, 2011, two members on January 15, 2012, and two members on January 15, 2013. The members of the commission shall allocate the initial terms among themselves by lot or other method.
- 154. Appointments shall be for terms of four years. Vacancies shall be immediately filled by the Governor for the unexpired portion of the terms in which they occur.
- 155. The appointments made by the Governor to membership on the California Water Commission commission are subject to confirmation by the Senate at the next regular or special session of the Legislature and the refusal or failure of the Senate to confirm an appointment shall create a vacancy in the office to which the appointment was made for which the Governor shall nominate a new member to fill the vacancy.
- 156. The members of the California Water Commission commission may be removed from office by the Legislature, by concurrent resolution adopted by a majority vote of all members elected to each house, for dereliction of duty, corruption, or incompetency.
- 157. Each member of the California Water Commission commission shall receive one hundred dollars (\$100) for each day during which the member is engaged in the performance of official duties, but shall not be compensated for more than 40 days in any one fiscal year, except that the chairperson of the commission may

SB 229 —4—

be compensated for up to 60 days for performance of those duties.
 In addition to that compensation, each member shall be reimbursed
 for necessary traveling and other expenses incurred in the
 performance of official duties.

- 158. The California Water Commission shall maintain its headquarters in Sacramento and shall hold meetings at-such *any* times and at-such *any* places as shall be determined by it. All meetings of the commission shall be open and public.
- 159. Special meetings may be called at any time by the chair of the commission or by the executive officer at the request of any four members, upon notice specifying the matters to be acted upon at that meeting, but no other matters shall be acted upon at special meetings that were not so noticed, unless all members are present and consent thereto.
- 160. The members of the California Water Commission commission shall select one of the members to serve as chair, who shall hold office as chair at the pleasure of the commission.
- 161. The California Water Commission commission shall confer with, advise, and make recommendations to the director with respect to any matters and subjects under the jurisdiction of the director. All rules and regulations of the department, other than those relating exclusively to the internal administration and management of the department, shall be first presented by the director to the commission and shall become effective only upon approval by the commission.
- 162. The California Water Commission commission shall have the power to name all facilities of the State Water Resources Development System owned by the state. The commission may receive testimony from the public on matters involving its responsibilities under this section, and, after public hearing for the purpose of considering all proposed names for those facilities, may, by resolution, express its decision regarding the naming of specific facilities of the State Water Resources Development System.
- 163. (a) The commission shall have primary authority to implement and *approve and* oversee the implementation of the Bay-Delta Interim Governance Act of 2009 (Division 28 (commencing with Section—80500) 80500)), including, but not limited to, the responsibility to ensure that the coequal goals for the governance of the Delta identified in that division are

\_5\_ SB 229

successfully coordinated and implemented, the implementation of responsibility to implement the Bay-Delta Conservation Plan, and the interim plan described in Section 80534, adopted pursuant to that act, and the responsibility to recommend priority activities and projects to the Natural Resources Agency, the state board, and other entities for environmental review and implementation that are included within the Bay-Delta Conservation Plan or the interim plan described in Section 80534.

- (b) The commission—may shall serve as lead agency to implement—specified projects recommended by the final environmental impact report of the Bay-Delta Conservation Plan or the interim plan described in Section 80534. The commission may enter into agreements with appropriate state agencies to provide technical assistance that may be necessary to implement specific projects. The commission may delegate lead agency status for projects in the Bay-Delta Conservation Plan or the interim plan described in Section 80534 to other appropriate state or local entities.
  - (c) Establish a Delta fee in accordance with Section 80535.
- (d) The commission shall recommend at least one individual to serve as a watermaster who shall be charged with the responsibility of enforcing all statutory provisions that are relevant to the successful implementation of the Bay-Delta Conservation Plan *or the interim plan described in Section 80534*. The costs of the watermaster shall be paid from the Delta Governance Account established pursuant to Section 80535. The watermaster shall notify the commission of any action of the Natural Resources Agency or the state board or any other governmental entity that is inconsistent with this article.
- (e) Watermaster decisions may be appealed by an affected party to the chair of the state board. The chair may stay decisions if he or she determines that the decision of the watermaster was not supported by substantial evidence in the record. An order of the chair of the state board pursuant to this subdivision that stays an order of the watermaster shall be set for hearing before the full state board at the earliest possible meeting.
- 164. The commission may employ an executive officer, exempt from civil service, under subdivision (e) of Section 4 of Article XXIV of the Constitution, and other staff it determines to be necessary for the proper discharge of its duties and may purchase

 $SB 229 \qquad \qquad -6-$ 

or rent necessary supplies, instruments, tools, equipment, and conveniences.

- 165. The department Natural Resources Agency shall furnish to the California Water Commission commission, at its request, assistance, including technical, legal, and clerical services, as is required to the extent funds are made available therefor.
- 166. (a) The commission may hold any hearings and conduct any investigations in any part of the state necessary to carry out the powers vested in it, and for those purposes has the powers conferred upon heads of departments of the state by Article 2 (commencing with Section 11180) of Chapter 2 of Part 1 of Division 3 of Title 2 of the Government Code.
- (b) Any hearing or investigation by the commission may be conducted by any member or nominee upon authorization of the commission, and he or she shall have the powers granted to the commission by this section, but any final action of the commission shall be taken by a majority of the members of the commission at a meeting duly called and held.
- 167. The California Water Commission commission shall conduct an annual review of the progress of construction and operation of the State Water Resources Development System, and shall make a report on its findings to the department and to the Legislature, together with whatever recommendations it deems appropriate.
- 168. The California Water Commission commission shall hold public hearings on all additional facilities proposed to be added to the State Water Resources Development System by the department pursuant to the authority granted by Sections 12931 and 12938.
- SEC. 3. Division 28 (commencing with Section 80500) is added to the Water Code, to read:

#### DIVISION 28. BAY-DELTA INTERIM GOVERNANCE

#### Chapter 1. General Provisions

80500. This division shall be known and may be cited as the Bay-Delta Interim Governance Act of 2009.

80501. (a) It is the intent of the Legislature to provide for interim management and governance measures that will contribute to the health of the Bay-Delta and to enhance water supply

\_7\_ SB 229

reliability to those who depend on adequate water supplies that originate in the Bay-Delta.

- (b) It is further the intent of the Legislature to accomplish the identified tasks through the use of existing government agencies and not to create additional entities.
- (c) It is further the intent of the Legislature that federal, state, and local governments should cooperate in devising the necessary projects, programs, water supply reliability improvements, and ecosystem recovery strategies in the Delta Bay-Delta.

### 

### Chapter 2. Definitions

- 80510. Unless the context otherwise requires, the definitions set forth in this chapter govern the construction of this division.
- 80511. "Account" means the Delta Governance Account established in Section 80535.
  - 80512. "Agency" means the Natural Resources Agency.
- 80513. "Bay-Delta" means the Sacramento-San Joaquin Delta Estuary, as defined in Section 12220, and Suisun Bay. 80513.
  - 80514. "Commission" means the California Water Commission.
- 80514. "Delta" means the Sacramento-San Joaquin Delta estuary, as defined in Section 12220 and Suisun Bay.
- 80515. "Plan" means the Bay-Delta Conservation Plan adopted pursuant to Chapter 3 (commencing with Section 80530).

### 

## CHAPTER 3. BAY-DELTA OPERATION

- 80530. (a) It is the policy of the state that, to the maximum extent practicable, projects and programs of state agencies that affect the Bay-Delta shall achieve the two coequal goals of ecosystem recovery and improvements to the reliability of public water supplies.

(b) The agency, in consultation with the state board, shall undertake all necessary actions to ensure that all funds and programs of the State of California and its cooperating partners in the federal government and local governments in the Bay-Delta are consistent with the goals established in subdivision (a). The agency may consult with the state board in implementing this subdivision.

SB 229 —8—

80531. (a) The agency shall adopt a Bay-Delta Conservation Plan for the Bay-Delta. The plan shall incorporate adaptive management techniques to the maximum extent practicable in order to focus the best available scientific information on the two coequal goals established in subdivision (a) of Section 80530.

(b) The agency shall act as the lead agency in the development of the plan. The plan shall be consistent with the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 10 of the Fish and Game Code). The Secretary for Natural Resources shall extend an invitation to appropriate federal agencies and local governments inviting their participation and entering into agreements consistent with this section at the earliest possible time.

80532. The Secretary for Natural Resources shall extend an invitation to cooperating federal agencies and local governments to participate in the interim governance of the Bay-Delta pursuant to this division.

80533. The plan and its component projects shall-fully comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code). It is the intent of the Legislature that the agency shall, to the extent feasible, coordinate with local governments that are developing natural community conservation plans adjacent to the Delta Bay-Delta.

80534. The Legislature finds and declares that, in addition to the development and implementation of the plan, other interim measures not included in the plan should be addressed in the short term, including, but not limited to, issues pertaining to transportation, utilities, recreation, water supply, flood control, and others and flood control. The parties identified in Section 12805.4 of the Government Code shall develop an interim plan that includes recommendations for projects and programs to address these issues that can be implemented as interim measures.

80535. (a) The development and implementation of the plan shall be funded through a fee paid by all entities that are beneficiaries of the plan and those entities that divert water from a-Delta Bay-Delta water body. For purposes of this section, plan "beneficiaries" are those entities that obtain or are delegated authority, pursuant to the plan or its implementing agreements, to

\_9\_ SB 229

take endangered, threatened, or candidate species protected under state or federal law.

(b) The commission shall establish the fee, in consultation with the agency and the state board, sufficient to fund the development and implementation of the plan. The fee may be graduated to reflect factors recognized by the commission that may include, but are not limited to, the volume of water diverted, the nature and type of the diversion, and other factors as determined by the commission. The State Board of Equalization shall collect the fee and deposit the moneys collected in the Delta Governance Account, which is hereby established within the State Treasury. The moneys in the account shall be available, upon appropriation by the Legislature, only for expenditure on projects or programs contained in the plan.

80536. Plan projects may be funded, if authorized, by moneys made available by bond acts approved before January 1, 2010, upon appropriation by the Legislature for that purpose. It is the intent of the Legislature that plan projects may also be funded from other general obligation bonds approved by a vote of the people and revenue bonds.